

U.S. Small Business Administration



# NEWS RELEASE

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**Contact:** D.J. Caulfield (202) 205-6740  
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## ***BUSINESSES CAN NOW APPLY FOR SBA's JOB-CREATING HUBZone PROGRAM***

**WASHINGTON** – The U.S. Small Business Administration (SBA) today announced that it is now accepting applications from businesses that want to participate in the agency's new HUBZone Empowerment Contracting program. This is a program designed to stimulate economic development and job creation in targeted urban and rural areas.

**"This program can help open the doors of opportunity for small businesses in many locations throughout the country,"** said SBA Administrator Aida Alvarez. **"I encourage small business owners to either go on-line or visit an SBA district office to see if you're qualified and fill out an application as soon as possible."**

A HUBZone is a "historically underutilized business zone" and the program will provide contracting benefits to small businesses located in those areas.

Potential applicants can determine if their company is located within a HUBZone by using a new system available on the SBA's web site, at [\*\*http://www.sba.gov/hubzone\*\*](http://www.sba.gov/hubzone).

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**“We’re very excited about our state-of-the-art geographic mapping that will quickly tell potential applicants whether this program can help them. The web site also has other useful information, including a program guide, list of participating agencies and frequently asked questions,”** said Richard Hayes, SBA’s Associate Deputy Administrator for Government Contracting and Minority Enterprise Development.

To apply, companies are encouraged to use the electronic application on the HUBZone web site. Applicants can also submit a paper application to SBA headquarters in Washington, D.C. The paper version can either be downloaded from the web or picked up at any local SBA district office.

The first-year goal of the program is to channel at least one percent of overall federal procurement to HUBZone small businesses, which at current federal spending levels equates to about \$2 billion in contracts. By year 2003 that goal rises to its maximum level of three percent, which translates to about \$6 billion.

To participate in the program, a small business’ principal office must be located in a HUBZone. More than 7,000 urban census tracts and 900 mostly rural counties currently qualify as HUBZones. All federally-recognized Native American reservations also qualify.

In addition, 35 percent of a participating firm’s workforce must reside within a HUBZone location. A qualified company also must be owned and operated by U.S. citizens. SBA is responsible for certifying that firms are eligible to participate and for reporting to Congress on the program’s success at increasing jobs and investment in HUBZones.

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